REMARKS

Status of Application

Claims 29-31 constitute all currently pending claims in the present application. Claims 29-31 are amended.

Claim Rejections Under 35 U.S.C. § 102

Claims 29-31 stand rejected under 35 U.S.C. § 102(e) as allegedly being anticipated by U.S. Patent No. 6,572,381 to Tsai ("Tsai"). Applicant traverses this rejection for at least the following reasons.

Applicant's representatives conducted an interview with the Examiner on February 9, 2009, during which Applicant's representatives discussed potential amendments which could overcome the Tsai reference. The Examiner agreed that if the term "reproduce" were consistently replaced with "play back" in the claims, then Tsai would not teach "updating a number of plays of each piece of music stored in the portable terminal that is played back, each time said playing back is completed at the portable terminal" as recited in claim 30, and similarly recited in claims 29 and 31. Accordingly, Applicant amends claims 29-31 in the manner described above, and respectfully requests that the rejection be withdrawn.

Tsai also fails to anticipate claims 29-31 for the following additional reasons.

Independent claims 29-31 each recited a portable terminal adapted to play back pieces of music *while disconnected from the server apparatus*.

Tsai does not disclose this feature. The terminal of Tsai is situated indoors, and is therefore able to be used as an online karaoke machine <u>only when the terminal is connected to</u> the host computer. In contrast, the terminal of the present invention is a portable terminal which

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is able to play back music <u>while the terminal is not connected to the server</u>. The portable terminal is only connected to the server when necessary.

Thus, when the terminal is not connected to the server, managing a count of plays of pieces of music is much more complex than in a system continuously connected to a server. The portable terminal of the present invention must have this capability, because it is able to play back music while the terminal is not connected to the server. However, Tsai does not appear to disclose or suggest this capability.

Thus, Tsai fails to disclose each and every required element of claims 29-31 and, therefore, fails to anticipate claims 29-31. Accordingly, Applicant respectfully requests that the rejection be withdrawn.

Conclusion

In view of the above, reconsideration and allowance of this application are now believed to be in order, and such actions are hereby solicited. If any points remain in issue which the Examiner feels may be best resolved through a personal or telephone interview, the Examiner is kindly requested to contact the undersigned at the telephone number listed below.

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This Amendment is being filed via the USPTO Electronic Filing System (EFS).

Applicant herewith petition the Director of the USPTO to extend the time for reply to the above-

identified Office Action for an appropriate length of time if necessary. Any fee due under 37

U.S.C. § 1.17(a) is being paid via the USPTO Electronic Filing System (EFS). The USPTO is

also directed and authorized to charge all required fees, except for the Issue Fee and the

Publication Fee, to Deposit Account No. 19-4880. Please also credit any overpayments to said

Deposit Account.

Respectfully submitted,

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